VZCZCXRO4268
RR RUEHTRO
DE RUEHEG #0786/01 1071416
ZNR UUUUU ZZH
R 161416Z APR 08 ZDS CTG RUEHSD0120W SVC
FM AMEMBASSY CAIRO
TO SECSTATE WASHDC 8951
INFO RUEHRO/AMEMBASSY ROME 1604
RUEHTRO/AMEMBASSY TRIPOLI 0218

UNCLAS SECTION 01 OF 02 CAIRO 000786

STPDIS

C O R R E C T E D C O P Y - INFO ADDEES ADDED

SENSITIVE

SIPDIS

E.O. 12958: N/A

TAGS: PREF PREL PHUM ECON EG LY

SUBJECT: EGYPT BALANCING EMPLOYMENT, ILLEGAL MIGRATION WITH WORKERS IN LIBYA

IN LIBYA

REF: A. 2007 TRIPOLI 106

¶B. TRIPOLI 6 ¶C. TRIPOLI 38

Sensitive but unclassified, not for Internet distribution.

11. (U) This is a joint US Embassy Cairo-US Embassy Tripoli message.

12. (SBU) Summary: Egyptians have long sought economic betterment by working - usually illegally - in Libya. Although constantly changing Libyan labor restrictions resulted in the return of some Egyptian workers to Egypt in 2007, we have not seen a drop-off in the rate of Egyptians seeking work in Libya. Libya is both a destination and a transit country for migrants, including Egyptians, seeking to illegally travel to Europe for work, and labor issues are consistently discussed between Egyptian President Mubarak and Libyan leader Qadhafi. In order for the GOE to mitigate criticisms that it fails to provide sufficient work at home or to protect its citizens abroad, it must balance between encouraging employment in Libya, which helps Egypt's unemployment problem, and discouraging those who would illegally travel to Europe. End summary.

## Egyptians Seek Higher Salaries in Libya

13. (U) Approximately one million Egyptians -- half of Libya's undocumented migrant population -- live and work in Libya, drawn by its geographic proximity, relatively higher wages, and modest cost of living. Our informal conversations with Egyptians indicate that a taxi from Cairo to the Libyan border costs only about EGP 250 (USD 45), slightly less than the average one month's salary for working-class Egyptians, though according to Libyan contacts a taxi from Tripoli to Cairo can cost as little as LD 25 (USD 20). Most Egyptians working in Libya are not highly educated and work mainly in construction, retail, restaurants, hotels, and domestic services, according to press reports and Libyan contacts. Remittances from Egyptian workers in Libya are an important part of income for many Egyptian families: recent media reports indicate that remittances from Libya to Egypt amount to USD 382 million annually.

Egyptians Face Legal Challenges in Libya

14. (SBU) Libya's constantly changing and arbitrary labor laws make it virtually impossible for a foreigner, including an Egyptian, to work legally in Libya. In February 2007, a senior Libyan official announced an expansive crackdown on foreign workers (ref A). The Libyan government subsequently changed its procedures for issuing a work visa, requiring all applicants to provide a formal work contract, to pay insurance, and to produce a health certificate from a Libyan medical facility; in addition, applicants for work visas had to prove (retroactively) that they entered Libya legally. On

January 7, 2008, Libya imposed additional requirements on "population-exporting countries," excluding Tunisia and Egypt, that require certain foreigners coming to Libya as "tourists" (i.e., not on regular work contracts) to arrive with at least USD 1,000 in cash (ref B). In January 2008, Libya announced broad plans to arrest and deport all foreign workers "immediately"; however, according to Egyptian sources in Libya, Libya failed to follow through on the threat (ref C).

- 15. (SBU) According to the Egyptian press, Libya's new taxes and registration fees on Egyptian workers amount to about LD 115 (USD 98) monthly. Immediately after enactment of these new rules, about 35,000 of the estimated one million Egyptians in Libya returned to Egypt, according to the Egyptian press. (Note: Embassy Tripoli considers this a low estimate, as in February and March 2007 many hotels, restaurants, and shops in Tripoli closed because of a lack of Egyptians to work in them, and the price of a taxi ride to Cairo jumped ten fold to LD 250 about USD 200 amidst reports of mass arrests and deportations. End note.)
- 16. (SBU) Also contributing to the precarious situation of Egyptian workers in Libya has been the uncertain status of the Libyan-Egyptian land border. According to Egyptian diplomats in Tripoli, Libya closed the land border to most passenger traffic for several months in late 2007; consequently, Egyptians were forced to pay to fly back and forth from Libya. After briefly reopening in early 2008, the Libyan-Egyptian land border is currently open only for cargo traffic. Libyan officials reported that the closure of the land border, coupled with erratic work visa requirements, has prevented additional Egyptians from traveling to Libya to work but has done little to encourage Egyptians already in Libya to return home.

Libya Jumping-Off Point for Illegal Migrants

17. (U) Libya is a prime departure point for Egyptians illegally migrating to Europe, particularly Italy. 60 percent of all illegal

CAIRO 00000786 002 OF 002

immigrants who reach the Italian coast are Egyptian nationals, according to a 2007 EU Commission Report, a trend that has remained consistent over the past five years. Libya cooperates with Egypt to reduce the number of Egyptians trying to transit through Libya to Europe, though Libyan efforts to control its maritime border have been largely ineffective. For instance, our informal discussions with working class Egyptians reveal that Egyptian border guards require Egyptians to present proof of a work contract in Libya in order to exit Egypt. Additionally, Libya deports Egyptians attempting to illegally reach Europe.

Labor Discussions Rise to Presidential Level

18. (U) Egyptian labor in Libya is a major issue in discussions between Egyptian President Mubarak and Libyan leader Qadhafi, and during Qadhafi's most recent visit to Cairo in January 2008 he agreed to exempt Egyptian workers from the USD 1000 entry requirement. A bilateral Egyptian-Libyan labor committee, headed by the Egyptian Minister of Manpower and his Libyan counterpart, is charged with following up on labor issues between the two countries. The two agreed in January 2008 on provision of 2,800 new jobs for Egyptians in Libya during the year, according to the Egyptian press.

Egyptians Critical of Government Response

19. (U) The Egyptian government has widely publicized its efforts to arrest and prosecute smugglers who have facilitated Egyptian illegal travel to Europe, particularly as the migrants face dangers and sometimes death on the journey. An Egyptian court sentenced 18 men on January 29 to five years in prison for their role in organizing a boat crossing for illegal migrants in which at least 21 people drowned off Italy in November 2007. Many in the Egyptian public seized on this incident as one in a long line of examples

demonstrating the GOE's inability to protect its citizens.

110. (U) Many Egyptians had a similar reaction to the case of nine Egyptians sentenced to death in Libya for murders they committed in Libya in the late 1990s, something that received widespread local media coverage. Although several of the execution sentences were commuted after the Egyptians agreed to pay about EGP 100,000 (USD 18,000) in "blood money" to the families of the deceased, two of the Egyptian convicts were executed due to their failure to pay. Egyptian press commentaries have asked why the government was unable or unwilling to pay such a paltry sum to spare Egyptian lives, or at least to extradite the criminals to Egypt.

## Comment

111. (SBU) Egyptian officials are walking a fine line on labor in Libya. Encouraging workers to travel there employs some of Egypt's large population of unskilled and semi-skilled unemployed workers. However, it also has the potential to facilitate travel of Egyptians attempting to illegally reach Europe, and exposes the government to criticism for its lack of ability to employ Egyptians at home or to protect them abroad.

112. (U) Tripoli minimize considered. SCOBY